

DEPARTMENT OF FOOD AND AGRICULTURE

Legal Office
1220 N Street
Sacramento, California 95814
Telephone: (916) 654-1393
Facsimile: (916) 653-1293



April 16, 2007

Mr. Ron Oneto
Chairman, California Tomato Commission
c/o Kenneth Manock, Esq.
Baker, Manock and Jensen
5260 N. Palm #421
Fresno, CA 93704

Dear Mr. Oneto:

Enclosed is the final audit report of the California Tomato Commission prepared by the California Department of Food and Agriculture (CDFA). The audit report recommends that the Tomato Commission take specific actions. The audit report was referred to the California Attorney General's Office for review.

Based on the audit report, CDFA is issuing a supplemental cease and desist order against the Tomato Commission, which is also enclosed. The supplemental cease and desist order issues the following orders:

1. The cost containment and asset preservation measures contained in the prior September 19, 2006 cease and desist order are superseded. The new measures contained in the supplemental cease and desist order will remain in effect until released by written order of CDFA. The Commission shall not (a) make any commitment, (b) authorize any expenditure, or (c) sell or encumber any asset, without the express, prior written authorization of the Chief of the Audit Branch of CDFA. This order includes credit card transactions. No Commission member or employee may travel on Commission business or receive reimbursement for travel without the Audit Chief's prior written counter-authorization.
2. The Commission shall immediately distribute the audit report and supplemental cease and desist order to all Commission members and Commission employees. Following this distribution, the Commission shall give at least 10 days notice of a special board meeting to discuss the audit's findings, and noticed specifically to each assessment payer.
3. While the special board meeting may include an Executive Session to discuss litigation and personnel implications, if any, from the audit findings, the general discussion of the audit report shall be in public session.

4. The Commission shall make the audit report available to all assessment payers on request.
5. The Commission shall immediately implement the internal control recommendations made in the audit report.
6. Immediately upon receipt of the supplemental cease and desist order, the Commission shall eliminate passwords on the Tomato Commission website.
7. Immediately upon receipt of the supplemental cease and desist order, the Commission shall transfer to Commission headquarters in California all Commission documents and records (original and copies).
8. Within 30 days of receipt of the supplemental cease and desist order, the Commission shall verify to CDFA's auditors:
 - (a) that all of the Commission's documents and records have been assembled and maintained in an auditable condition at the Commission's headquarters in California, and
 - (b) that the internal controls recommended by the audit report have been put in place.

Please contact me if you have questions or if I can be of assistance.

Sincerely,

John C. Dyer
Chief Counsel

c: Brian Leighton, Esq.
Tiffany Yee, DAG
Ken Manock, Baker, Manock & Jensen
Patrick Toole, Sagaser, Jones & Haesy
Amy Maclear, Gordon & Rees
Donald H. Glasrud, Dietrich, Glasrud, Mallek & Aune